

IN THE CIRCUIT COURT  
OF THE 11TH JUDICIAL CIRCUIT  
IN AND FOR MIAMI-DADE COUNTY, FLORIDA  
CASE NO.: 13-CV00114

WYNN'S EXTENDED CARE INC.,

Plaintiff,

Vs.

PENNY L. BRADLEY.

Defendant.

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DEPOSITION  
OF  
FRANK ARMENTEROS

**TAKEN AT:**

19 West Flagler Street Suite 902  
Miami, Florida 33130

September 15th, 2014  
10:00 a.m. to 4:25 p.m.

Downtown Reporting

**Bradley Ex 1**

1

2

**APPEARANCES:**

3

4

On Behalf Of the Defendant:

5

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6

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On Behalf Of the Plaintiff:

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1 (Thereupon, the following proceeding was had:)

2 **THE COURT REPORTER:** Do you swear that the  
3 testimony you are about to give will be the  
4 truth, the whole truth and nothing but the  
5 truth?

6 **MR. ARMENTEROS:** I Swear.

7 DIRECT EXAMINATION

8 **BY MR. DOMONOSKE:**

9 Q Good morning. Please state your full name  
10 for the Court Reporter, please.

11 A **Alfred Armenteros.**

12 Q And whom do you work for Mr. Armenteros?

13 A **Wynn's Extended Care.**

14 Q Have you ever had your deposition taken  
15 before?

16 A **Yes, years ago.**

17 Q Do you understand that your answers are  
18 under oath?

19 A **Yes.**

20 Q Do you understand that your answers have  
21 to be spoken so that the Court Reporter can take  
22 them down, rather than with the shake of the head?

23 A **Yes, Sir.**

24 Q If at any point during the day you need a  
25 break please tell me you need a break, if you need

1 BY MR. DOMONOSKE::

2 Q Do you know what the contract with Credit  
3 Acceptance Corporate says about the training of car  
4 dealers in the sale of the service contracts?

5 A Yes.

6 Q What does it say?

7 A This -- at this moment with the revision  
8 of 2010, it became -- the CAC will promote if  
9 necessary our service contract, if they choose to.

10 Q What does promote mean?

11 MS. SADLER: Objection calls for a legal  
12 conclusion. Document speaks for itself.

13 MR. ARMENTEROS: Make it available to the  
14 dealer.

15 BY MR. DOMONOSKE::

16 Q Is there anything else that CAC is  
17 supposed to do under that provision?

18 MS. SADLER: Objection calls for a legal  
19 conclusion.

20 MR. ARMENTEROS: I don't know the answer.

21 BY MR. DOMONOSKE::

22 Q When you reviewed the contract, did you  
23 see any paragraph about profit sharing?

24 A I cannot say yes or no it wasn't important  
25 to me to be honest with you. I read it and it

1     **probably said something about profit sharing.**

2           Q     What did it say about profit sharing?

3           **MS. SADLER:** I'm going to object because  
4     the court specifically ruled that we were not  
5     required to produce the terms of the contract  
6     to you, and under court order we did not  
7     produce the specific terms. You cannot use the  
8     deposition as a way to circumvent the court's  
9     ruling.

10    BY MR. DOMONOSKE::

11           Q     You can summarize it.

12           **MS. SADLER:** No, he can't. You are asking  
13    him to violate the ruling that we got the other  
14    day. We were allowed to produce a disclosure  
15    statement to you, which we have done. You  
16    cannot ask him to regurgitate the terms of the  
17    contract, which you were allowed to redact.

18           **MR. DOMONOSKE:** I'm merely asking him to  
19    summarize it.

20           **MS. SADLER:** That is not appropriate, as  
21    you are aware. You do not have to answer to  
22    that.

23           **MR. ARMENTEROS:** I will not answer.

24    BY MR. DOMONOSKE::

25           Q     Are you able to tell me if there's a

1 formula for the profit sharing?

2 MS. SADLER: Same objections.

3 MR. ARMENTEROS: I don't know of any  
4 formula.

5 BY MR. DOMONOSKE::

6 Q When you look at a contract was the profit  
7 sharing part redacted?

8 A I cannot say yes or no.

9 BY MR. DOMONOSKE::

10 Q Label Exhibit Eight, and I'd like to take  
11 this opportunity to read that.

12 12:14 p.m. lets go off the record.

13 1:15 p.m. back on the record.

14 BY MR. DOMONOSKE::

15 Q I'm handing you Plaintiff' Exhibit Nine  
16 through Fifteen, which is a series of documents  
17 originally labeled Wynn's One through Seven. Do you  
18 know from looking at these documents which of these  
19 represent the information available on one computer  
20 file or computer screen, and I'll tell you the  
21 reason I ask is it looks like this might be some  
22 sort of spreadsheet at least the first few pages.

23 MS. SADLER: I'm just going to note for  
24 the record that the documents have been  
25 modified by Plaintiff's counsel including

1                   **MS. SADLER:** Object to form. Object to  
2                   relevance.

3                   **MR. ARMENTEROS:** No.

4                   BY MR. DOMONOSKE::

5                   Q     And, look at Exhibit Sixteen, please and a  
6                   few pages in you'll see that the last two pages in  
7                   the upper left say "Scanned by Britney" do you know  
8                   who Britney is?

9                   **MS. SADLER:** Objection relevance.

10                  **MR. ARMENTEROS:** An employee.

11                 BY MR. DOMONOSKE::

12                 Q     Of Phoenix America?

13                 **MS. SADLER:** Objection relevance.

14                 **MR. ARMENTEROS:** Yes.

15                 **MS. SADLER:** I'm just going to note again  
16                 for the record that Exhibit Sixteen contains  
17                 modifications that plaintiff's counsel has made  
18                 to the documents produced by Wynn's.

19                 BY MR. DOMONOSKE::

20                 Q     I'm handing you Exhibit Seventeen. Do you  
21                 recognize Exhibit Seventeen?

22                 **A     Yes.**

23                 Q     What is it?

24                 **A     Retail rate chart.**

25                 Q     Whose retail rate chart?

1           **A       CAC business.**

2           **Q       This is a retail rate chart prepared by**  
3   Wynn's?

4           **A       I cannot answer. I don't know.**

5           **Q       You don't know. Is it a retail rate chart**  
6   prepared by Phoenix American?

7                   **MS. SADLER:** Objection relevance.

8                   **MR. ARMENTEROS:** I cannot answer.

9   BY MR. DOMONOSKE::

10          **Q       Do you know who superior protection plan**  
11   is?

12          **A       Yes.**

13          **Q       Who is superior protection plan?**

14          **A       The other warranty company used.**

15          **Q       What other warranty company?**

16          **A       The same like Wynn's Extended Care they**  
17   use another company to promote themselves, the  
18   vehicle service contracts.

19          **Q       Is there any connection between Wynn's and**  
20   Superior Protection Plan?

21          **A       No, Sir.**

22          **Q       Is there any connection between Phoenix**  
23   American and Superior Protection Plan?

24          **A       No, Sir.**

25                   **MS. SADLER:** Exhibit Seventeen should be

1 BY MR. DOMONOSKE::

2 Q Did Wynn's decide to add the term electric  
3 vehicles to Exhibit Seventeen?

4 MS. SADLER: Objection relevance, beyond  
5 the scope.

6 MR. ARMENTEROS:

7 BY MR. DOMONOSKE::

8 Q Did Wynn's decide to add the term electric  
9 vehicles to Exhibit Seventeen?

10 A Don't now the answer to that.

11 Q Did Wynn's decide that the term electric  
12 vehicles include hybrid vehicles?

13 MS. SADLER: Objection relevance.

14 MR. ARMENTEROS: Don't know the answer to  
15 that.

16 BY MR. DOMONOSKE::

17 Q Did Phoenix American decides that electric  
18 vehicles mean hybrid vehicles?

19 MS. SADLER: Objection relevance. This  
20 witness is here to testify on behalf of Wynn's  
21 Extended Care. He is not here to testify on  
22 behalf of Phoenix American.

23 BY MR. DOMONOSKE::

24 Q You can answer.

25 MS. SADLER: You are not speaking on

1           behalf of Wynn's or Phoenix.

2                   **MR. ARMENTEROS:** There is no answer to  
3           that, I mean, in the industry, and this is  
4           speaking as Alfred Armenteros, in the industry  
5           everybody knows that an electric component in a  
6           -- if it's only electric is an electric car if  
7           it has electric and gas or diesel is a hybrid.

8   BY MR. DOMONOSKE::

9           Q     Do you recognize Exhibit Eighteen?

10          **A     Yes.**

11          Q     What is it?

12          **A     It's a marketing or sales material.**

13          Q     Who prepared it?

14                   **MS. SADLER:** Objection relevance.

15                   **MR. ARMENTEROS:** Wynn's Extended Care.

16   BY MR. DOMONOSKE::

17          Q     When you say "Wynn's Extended Care", o you  
18   mean that an employee of Phoenix American prepared  
19   this?

20                   **MS. SADLER:** Objection relevance also  
21   calls for a legal conclusion in regarding  
22   provisions.

23                   **MR. ARMENTEROS:** I rather don't answer.

24   BY MR. DOMONOSKE::

25          Q     Well, you said Wynn's Extended Care

1 refers to?

2           **A**     **The department that promotes our products.**

3           **Q**     Is that a department Phoenix American?

4           **MS. SADLER:** Objection relevance, beyond  
5 the scope.

6           **MR. ARMENTEROS:** I'm going to answer  
7 questions about Wynn's Extended not Phoenix  
8 American.

9 BY MR. DOMONOSKE::

10          **Q**     When you said sales does that refer to the  
11 sales department of Phoenix American?

12          **MS. SADLER:** Same objections.

13          **MR. ARMENTEROS:** I'm not answering that.

14 BY MR. DOMONOSKE::

15          **Q**     On this document where it says "Sales"  
16 does that refers to the sales department of Phoenix  
17 American?

18          **MS. SADLER:** Same objections.

19          **MR. ARMENTEROS:** The sales Wynn's Extended  
20 Care and has our address.

21 BY MR. DOMONOSKE::

22          **Q**     How many people in the sales department of  
23 Wynn's Extended Care?

24          **A**     **Don't know the answer.**

25          **Q**     Are there any employees of Wynn's Extended

1 Care--

2 MS. SADLER: Counsel, we've cover this in  
3 detail, asked and answered.

4 BY MR. DOMONOSKE::

5 Q Is the answer zero?

6 MS. SADLER: Asked and answered. Don't  
7 batcher him.

8 MR. ARMENTEROS: --

9 BY MR. DOMONOSKE::

10 Q I'm sorry?

11 A Don't know the answer.

12 Q Handing you Exhibit Nineteen. I'd like  
13 you to read it to yourself, please. Have you read  
14 Exhibit Nineteen?

15 A Yes, Sir.

16 Q Do you recognize it?

17 A Yes.

18 Q What is it?

19 A A brochure.

20 Q What kind of brochure?

21 A A brochure for Wynn's Extended Care  
22 program.

23 Q Who is this given to?

24 A To the consumers.

25 Q Do you expect consumers to read it?

1 MS. SADLER: Objection relevance.

2 MR. ARMENTEROS: I don't know. I cannot  
3 speculate to that.

4 BY MR. DOMONOSKE::

5 Q Why was this included in the dealer kit?

6 MS. SADLER: Objection relevance.

7 MR. ARMENTEROS: It's part of the sales  
8 material.

9 BY MR. DOMONOSKE::

10 Q Did you expect the dealers to give it to  
11 consumers?

12 A Don't know that. Don't know the answer to  
13 that.

14 Q What did you do to prepare for item seven  
15 of corporate deposition notice Exhibit One?

16 MS. SADLER: Objection relevance.

17 MR. ARMENTEROS: I know the existence of  
18 the kit, didn't have to prepare.

19 BY MR. DOMONOSKE::

20 Q Could you read paragraph seven out loud,  
21 please?

22 A The content of the dealer kit that should  
23 have been provided to Armstrong Auto and for each  
24 part of it the reason it was included and did Wynn's  
25 expected it's potential customers and follow be

1 directed to ask their dealer about the service plan  
2 that was right for them.

3 Q Did you do anything to find out why this  
4 document was included in the dealer kit?

5 A Ask the question again.

6 Q Did you do anything to find out why this  
7 document was included in the dealer kit?

8 MS. SADLER: Objection relevance.

9 MR. ARMENTEROS: I don't have any answer,  
10 no.

11 BY MR. DOMONOSKE::

12 Q Does that mean you didn't do anything to  
13 find out why this document was included in the  
14 dealer kit?

15 MS. SADLER: I'm also going to object to  
16 the extent that it would call for attorney  
17 client communications.

18 MR. ARMENTEROS: Do I have to answer?

19 MS. SADLER: If you did something separate  
20 and apart from meeting with counsel --

21 MR. ARMENTEROS: No, I haven't.

22 MS. SADLER: Okay.

23 MR. ARMENTEROS: To answer your question,  
24 this dealer kit is no different from any other  
25 dealer kit that we send to the Wynn's extended

1 Care program to all of our point of sales.

2 BY MR. DOMONOSKE::

3 Q And do you expect the dealers to give this  
4 brochure to customers?

5 A I don't expect anything. I don't -- I  
6 don't work for sales. I don't know the facts of how  
7 they work.

8 Q Does the corporation you work for expect  
9 that this brochure would be made available to  
10 customers?

11 MS. SADLER: Objection relevance.

12 MR. ARMENTEROS: Is the dealer decision to  
13 do the best to protect himself and the  
14 customer.

15 Q Does the company you work for expect this  
16 brochure could be read by customers?

17 MS. SADLER: Objection relevance.

18 MR. ARMENTEROS: Yes.

19 BY MR. DOMONOSKE::

20 Q Does the company you work want the  
21 customers to ask the dealer about the plan that's  
22 right for them?

23 MS. SADLER: Objection relevance.

24 MR. ARMENTEROS: Don't know what the  
25 customer would do.

1 BY MR. DOMONOSKE::

2 Q I'm asking does the company you work for  
3 expects the consumers to ask the dealers about the  
4 plan that's right for them?

5 MS. SADLER: Objection relevance.

6 MR. ARMENTEROS: Don't know the answer.

7 BY MR. DOMONOSKE::

8 Q Go to the second page of Exhibit Nineteen.  
9 Do you see where it says, "Ask your dealer about the  
10 plan that is right for you"?

11 A Uh-huh.

12 Q Is that what the company you work for  
13 expects to happen?

14 MS. SADLER: I'm just going to object.  
15 The document speaks for itself. You can answer  
16 if you understand something beyond what the  
17 document says.

18 MR. ARMENTEROS: This is a sales material.  
19 Nothing is beyond that it's a sales material  
20 it's used to promote our product; each dealer  
21 will handle it in their own way.

22 BY MR. DOMONOSKE::

23 Q And for dealers who give this to  
24 customers, do they want customers to do that?

25 A Absolutely.

1 Q Are you able to search by reasonable of  
2 legibility?

3 A No.

4 Q Turning to item nine of Exhibit One. At  
5 the time of the Bradley transaction did your company  
6 provide a service contract on a hybrid vehicle?  
7 I'll reword that question.

8 A Okay.

9 Q I'm not asking for a legal conclusion that  
10 would happen in the Bradley transaction. At the  
11 time of the Bradley transaction did your company  
12 made available for consumers a service contract on a  
13 hybrid vehicle?

14 A Not on the CAC program.

15 Q Outside of the CAC program?

16 MS. SADLER: Objection relevance.

17 MR. ARMENTEROS: Yes.

18 BY MR. DOMONOSKE::

19 Q How much would it cost?

20 MS. SADLER: Objection relevance.

21 MR. ARMENTEROS: I have no idea.

22 BY MR. DOMONOSKE::

23 Q How would you find out the cost?

24 MS. SADLER: Objection relevance.

25 MR. ARMENTEROS: This vehicle would never

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1           qualify.

2       BY MR. DOMONOSKE::

3           Q     Al right. What would this hybrid vehicle  
4     not qualify for the hybrid service contract that was  
5     potentially available through Wynn's?

6           A     Mileage number one, age number two.

7           Q     What hybrid vehicles did you cover?

8           A     New vehicles only.

9           Q     Does new refer to brand new or was new  
10    like within two or three years old?

11           MS. SADLER: Objection calls for  
12    speculation.

13           MR. ARMENTEROS: Depending on the program.

14    BY MR. DOMONOSKE::

15           Q     So, at the time of the Bradley  
16    transaction, what was the age limit for vehicles  
17    that had been already sold once and they were  
18    hybrids?

19           A     Don't know the answer to that.

20           Q     Do you know the cost?

21           A     No.

22           Q     Could Armstrong Auto have sold for your  
23    company such a service contract?

24           MS. SADLER: Objection relevance, calls  
25    for speculation.

1                   **MR. ARMENTEROS:** I have no idea.

2           BY MR. DOMONOSKE::

3           Q       What kind of dealer would be allowed to  
4       sell such service contracts?

5                   **MS. SADLER:** Objection relevance, calls  
6       for speculation.

7                   **MR. ARMENTEROS:** Cannot speculate which  
8       one.

9           BY MR. DOMONOSKE::

10          Q       Do they have to be associated with certain  
11       finance company?

12                   **MS. SADLER:** Objection relevance.

13          BY MR. DOMONOSKE::

14          Q       If Armstrong Auto wanted to sell contracts  
15       directly for your company could Armstrong Auto do  
16       that?

17                   **MS. SADLER:** Objection relevance.

18                   **MR. ARMENTEROS:** Yes.

19          BY MR. DOMONOSKE::

20          Q       If Armstrong auto would signed up TO sell  
21       contracts directly for your company would that  
22       include the ability to sell on hybrid vehicle?

23                   **MS. SADLER:** Objection relevance.

24                   **MR. ARMENTEROS:** Don't know the answer.

25          BY MR. DOMONOSKE::

1 BY MR. DOMONOSKE:

2 Q Did you do anything to find out to prepare  
3 to respond to item thirteen?

4 A Read it.

5 Q Other than reading it did you do anything  
6 to answer that question?

7 A No.

8 Q Did you ask Mr. Brooks?

9 A No.

10 Q Lets' look back at Exhibit Three. And I'm  
11 going to ask you questions under item sixteen right  
12 now. I know I'm jumping around a little bit. Why  
13 did your company tell Penny Bradley to contact their  
14 selling dealership?

15 A 'Cause that is the procedure.

16 Q Did you expect her to do that?

17 A Yes, Sir.

18 Q What instructions did you give the selling  
19 dealership for how to respond to her questions?

20 MS. SADLER: Same objection.

21 MR. ARMENTEROS: I don't know the question  
22 so I can't answer that.

23 BY MR. DOMONOSKE::

24 Q How did you want the selling dealership to  
25 respond?

1           **A**     Don't know the answer. He has options.

2           **Q**     All right. 2:27 p.m. off the record.

3     2:42 p.m. back on the record.

4     BY MR. DOMONOSKE::

5           **Q**     Turning to item fifteen of Exhibit One.

6     What steps were taken by your company after it  
7     learned of the Bradley transaction to ensure what  
8     occurred in that transaction does not occur again?

9           **MS. SADLER:** Objection relevance.

10          **MR. ARMENTEROS:** No steps were taken.

11         Everything that was supposed to occur occurred.

12     BY MR. DOMONOSKE::

13          **Q**     Turn into seventeen, what steps did the  
14     company take to insure that dealers who sold a  
15     service contract on an ineligible vehicle provide  
16     the customer with the opportunity to cancel the  
17     entire transaction?

18          **MS. SADLER:** Objection relevance.

19     BY MR. DOMONOSKE::

20          **Q**     And by "Entire transaction" I mean the  
21     sale of the car.

22          **MS. SADLER:** Objection relevance.

23          **MR. ARMENTEROS:** That's not our  
24     responsibility. That's CAC responsibility if  
25     they choose to do so.

1 BY MR. DOMONOSKE::

2 Q Why is it not your responsibility?

3 MS. SADLER: Objection relevance, calls  
4 for speculation.

5 MR. ARMENTEROS: The dealer is an agent in  
6 the way of selling the product on behalf of CAC  
7 and Wynn's Extended Acre. In other words, they  
8 choose to do business with CAC and they  
9 purchase the warranty -- service contract, I'm  
10 sorry, that was available when they sold the --  
11 when they did the finance through CAC. What we  
12 received was the transaction and we processed  
13 the transaction according to our  
14 responsibility.

15 BY MR. DOMONOSKE::

16 Q Do you expect your service contract to  
17 give the customer peace of mind about the vehicle  
18 being covered?

19 MS. SADLER: Objection calls for  
20 speculation.

21 MR. ARMENTEROS: Not answering that.

22 BY MR. DOMONOSKE::

23 Q I'm sorry you don't know the answer?

24 A I know the answer I'm not answering.

25 Q What is the answer?

1 Q Yes, the agreements that you got.

2 A The one that I had, close to an hour.

3 Q Did it include Exhibit Twenty Three?

4 A I don't know.

5 Q Did it include 2008 program agreement?

6 A I don't recall.

7 Q Did it include amendments to an agreement?

8 A Yes.

9 Q With a lot of big black redacted parts?

10 A Yes.

11 Q Did you discuss that with Mr. Brooks?

12 A No.

13 Q Did you discuss that with anyone?

14 MS. SADLER: I'm just going to object to  
15 the extent that it would call for  
16 communications with counsel.

17 BY MR. DOMONOSKE::

18 Q Did you ask to see the unredacted?

19 A No.

20 Q Back on Exhibit Twenty Two when you were  
21 asked to sing this on Friday, what were you told?

22 MS. SADLER: Objection o the extent that  
23 calls for communications with counsel.

24 BY MR. DOMONOSKE::

25 Q By Mathew.

1                   **MS. SADLER:** Objection Mathew Brooks is  
2                   corporate counsel for Wynn's you would be  
3                   seeking privilege communication instruct the  
4                   witness not to answer.

5                   **MR. ARMENTEROS:** No, answer.

6                   BY MR. DOMONOSKE::

7                   Q       Did you talk about Exhibit Twenty Two with  
8                   anyone other than counsel?

9                   **MS. SADLER:** To the extent that calls for  
10                  communications with counsel same objection.

11                  BY MR. DOMONOSKE::

12                  Q       Other than counsel in the room and Mr.  
13                  Mathew Brooks, did you talk about Exhibit Twenty Two  
14                  with anyone?

15                  A       **No.**

16                  Q       Were you by yourself?

17                  A       **Yes.**

18                  Q       Did he handed delivered it to you did he  
19                  email it to you?

20                  **MS. SADLER:** Objection relevance.

21                  **MR. ARMENTEROS:** E-mail.

22                  BY MR. DOMONOSKE::

23                  Q       What time of day?

24                  **MS. SADLER:** Objection relevance.

25                  **MR. ARMENTEROS:** Passed 5:00.

1                   **MS. SADLER:** Which column are you pointing  
2                   to?

3                   **ARMENTEROS:** The additional.

4                   **MS. SADLER:** 385.

5                   **MR. ARMENTEROS:** 385.

6                   BY MR. DOMONOSKE::

7                   Q     Okay. So if we wanted to know the dealer  
8                   cost in the Bradley transaction we would subtract  
9                   385 from what number?

10                  A     **The retail.**

11                  Q     AND what was the retail cost?

12                  A     **1580.**

13                  Q     All right. Would you agree that 1580  
14                  minus 385 is \$1195?

15                  A     **Yes.**

16                  Q     So, that's the dealer cost in the  
17                  transaction.

18                  A     **Yes.**

19                  Q     That's how much should have been sent to  
20                  Credit Acceptance Corporation?

21                  A     **That is not what it would be. This**  
22                  **vehicle -- all credit acceptance contracts are**  
23                  **fully, fully financed, there is no money exchange on**  
24                  **this contracts as far as we are concern. Customer**  
25                  **doesn't have a down payment that includes a portion**